

- Cigar/Cigarillo Prevalence: Youth
- Promotion
- Facebook Examples
- You Tube Examples
- Regulation of Little Cigars/Cigarillos
- Brooklyn Center: Cigar Policy
- Cigar Policy Options

Busse asked how Brooklyn Center decided on \$2.10 per cigar.

Brock replied it was based on a formula considering the wholesale price of a cheaper cigar. Brooklyn Center restricted the size of the package and controls the price.

Winstead said small/cheap cigars currently fall under all the regulations and laws with regard to age, availability, and the Clean Indoor Act. You must be 18 years of age to purchase them.

Brock said flavorings and tax don't apply. The purchase and use are currently regulated the same as cigarettes.

Mark Bernhardson, City Manager asked if a majority of the Council desires to treat e-cigarettes the same as cigarettes and other tobacco products with regard to indoor spaces and the Clean Indoor Act. He said it would also prohibit vaping lounges and asked Council if they wanted to incorporate e-cigarettes into the City's ordinance to treat them the same as all tobacco products. If yes, he said staff will bring back ordinance language.

Winstead said he wants them to be treated the same as any other tobacco product.

Oleson asked for clarification on whether or not the current vaping lounge would be out of compliance.

Ann Kaul, Associate City Attorney said they would have to come into compliance.

Bernhardson said they could testify when the ordinance is heard.

Winstead said there is Council consensus to treat e-cigarettes the same as tobacco products. With regard to cheap cigars and flavored tobacco, he said they're restricted to those over the age of 18 and asked Council if they wanted to do something similar to what Brooklyn Center did with their pricing and packaging.

Baloga asked about the impacts of Brooklyn Center's ordinance.

Brock said it's only been in effect for a couple of weeks. She reported there has been some negative feedback from a couple of the vendors but the City of Brooklyn Center is working with them. They can still sell small cigars but only at a certain price point.

Oleson said this topic has come on like gangbusters so the City needs to be ready to respond with more information regarding the impacts to health once this ordinance gets written and then be ready to make adaptations to that language as needed.

Carlson asked if there was any legislation requiring these be sold behind the counter.

Brock said per State law, they are supposed to be behind the counter and only accessed with the clerk's assistance. She reported there is mixed compliance across the board, which can be addressed through enforcement.

Bernhardson said regarding cigars, the approach has been about the packaging size and minimum sales price.

With regard to access, Abrams asked if it was restricted to e-cigarette paraphernalia.

Brock replied yes.

Busse said he supports keeping cigars out of kids' hands but said they will spend \$2.10 so asked why not make them \$10.00 each.

Winstead said the City passed the smoking ordinance and was able to make the tie to health. He said telling vendors how they can market a legal product, in what size it can be sold, and at what price is entering new ground. He said he's not ready to say cigars have to be sold in a package at a minimum price point. He said while the City wants to keep cigars out of everyone's hands, everyone of a certain age has a right to use them. He suggested outlawing them altogether.

Abrams said she served on the ClearWay Minnesota Board and has some understanding as to why the City has to try and refine any loopholes. She said it has to do with the taxation and the definition of what a little cigar can be. If it's too small and too thin, it falls off the category of the existing definitions that are in place at both the federal and state level. She said this is not just a convenient way for the City to promote good health. She said price is a definite disincentive for many users. Right now it's an easy purchase at \$.49 a piece so if this is the only opportunity to take care of Bloomington's kids, the Council needs to consider this. She said Bloomington can't wait for the State to do something on it.

Baloga asked if anything was left out of the Brooklyn Center legislation that Bloomington should consider in its ordinance.

Brock said Bloomington has the Clean Indoor Act policy. She said Brooklyn Center didn't leave anything out of their ordinance but Bloomington could be a leader and try something more.

Baloga asked Brock if her group had any input into Brooklyn Center's ordinance and Brock confirmed they did.

Winstead asked why wouldn't the City move to sell cigarette packs for \$300 and cartons for \$10,000. He said it's a tobacco product that is being regulated and sold and indicated reluctance to stipulate packaging size and sale price.

Baloga agreed that generally this is a state or federal item for management and control but said since neither has taken charge, it falls to the cities. He cannot agree with the Mayor and believes it's incumbent upon Bloomington to do something.

Bernhardson suggested the Council could set a minimum packaging size of four small cigars and not sell them as singles.

Lowman agreed with the Mayor that the City could outlaw them or raise the legal age to use them to 21. He said he could support not selling them at all.

Baloga said he favors the Brooklyn Center model to include flavored tobaccos.

Carlson agreed and asked staff to prepare draft language in terms of the Brooklyn Center model with the inclusion of flavored tobaccos.

Bernhardson said nothing has been done in Minnesota with flavored tobaccos but wasn't sure what's been done in other states.

Brock said they've prohibited them and exempted Menthol flavoring. She said the only place flavored tobacco products can be sold could be in places where only adults can frequent.

Winstead said there is consensus on the Council to bring this back with an ordinance that is fairly restrictive and inclusive.

Oleson commented on page 53 of pdf agenda version, stating there are numerous cities that are prohibiting vapor lounges and e-cigarettes.

Bernhardson said the Brooklyn Center ordinance specifically relates to packaging and pricing of cigars and did not get into the flavored cigarettes.

Winstead said he would like to see Bloomington impose a per pack tax on tobacco products and that tax revenue be given to the Public Works Department for sweeping the streets. He said the purpose would be to clean the streets.

**6.2 2016 Normandale Blvd.
Reconstruction**

Requested Action: No action is required. This is an informational item only.

A joint presentation on the Normandale Boulevard Project was made by Shelly Pederson, City Engineer, Kirk Roberts, City's Traffic & Transportation Engineer, and Jim Grube, Hennepin County Engineer.

Pederson said the cost of this project is upwards of \$10 million and the City has been waiting a long time to get the funding for it. She said the main reason previous applications didn't score high enough for funding is because the access to certain roads was not closed off completely for safety reasons. Funding was finally granted because access at Northwood Ridge and the south Norman Ridge Drive was proposed to be closed.

Grube said it's been a pleasure to work with Bloomington staff. He said Hennepin County is responsible for access and safety on minor arterials, which carry higher volumes of traffic at greater speeds. It's where friction starts to build and there are entering movements, which result in unexpected traffic stopping. It's where there are traffic conflicts and where larger vehicles start switching lanes. It causes people to weave around cars making left turns. When cars start slowing to make a right turn, cars weave to the left. He said there are conflicts from the turning movements when cars are entering the roadway and when they are weaving. That is what the County looks for in terms of access management; to reduce those points of friction and conflict. He said safety is the number one issue on County roads. They pursue safety in access management and look for ways to improve traffic situations.

Winstead said there are history and safety issues on this road. People have been rear ended so this needs to be addressed and now the funding is in place.

Roberts presented the following slides:

- Aerial map of the location: Nine Mile Creek on the north end to the signal at 94th Street on the south.
- Why the Project?
Discussed the northbound left turn restrictions in the AM peak hour and the southbound left turn restrictions in the AM and PM as a response to some crashes.
- Access Modifications:
Can achieve the same safety improvement by making them a right in and a right out access at Northwood Ridge and the southern portion of Norman Ridge as was presented at the Norman Ridge second open house. Dedicated left turn lanes would help reduce rear-end crashes. A median would prevent left turns to reduce some accidents. Most side streets in the area have average side-street volumes; typical of residential streets in the city. Right turns in and out only are proposed at Northwood Ridge and Norman Ridge; no left turns allowed. Residents on Toledo have concerns that removing restrictions could cause cut-through traffic. He talked about the mitigation measures. The left turn signal comes on at the beginning of the cycle and recycles before the end of that signal and it works well. The best way to keep traffic out of the Toledo neighborhood is to keep that intersection viable with proper signal timing. Staff is proposing 10-foot trails on both sides of the road. Residents are concerned with the amount of space that will be needed for them. Currently, there is no good place to cross between 94th Street and the tunnel at Nine Mile Creek.

Busse questioned the width of the road and asked if the right-of-way (ROW) is in place.

Oleson commented there are currently only two lights along Normandale Boulevard at 94th Street, at the tunnel at Nine Mile Creek, and the signal at 84th Street.

Roberts said the City can't change a speed but it can request the State Transportation Commissioner study it. He said lowering the speed would not reduce the number of crashes.

Pederson said ROW is tied to trail design width and road width and the purchasing of ROW would be done by an independent appraiser hired by Hennepin County. She said staff will meet with each owner individually to discuss their acquisitions at their property regarding things like trees, fencing, landscaping and the replacement of it. She said there will be a combination of temporary and permanent easements involved in this corridor.

Winstead inquired which properties will be impacted if this goes forward.

Pederson replied the properties north of Toledo that face Utica and two properties to the south will be impacted by ROW acquisitions. She said staff is in the very preliminary design stage at this point but that the City won't need to purchase ROW from every parcel. It will be needed primarily at Norman Ridge and Toledo. She reported a lot of residents are concerned with noise. She said no additional lanes will be added. She said this project will not qualify as a Type 1 project because it's not a highway project. Staff is recommending a board-on-board (solid) fence in the places where residents currently have fencing. Retaining walls will also be added, which help reduce some noise. Noise barriers are not required on this project. Lots of e-mails were received.

Pederson said residents want to maintain full access at both Northwood Ridge/Southwood Drive. She said changing the grant application from cul-de-sacs to other types of modifications and trail modifications require a scope change which could affect the grant scoring. Going to a right in and right out requires a scope change. It might meet the intent of the grant so staff doesn't expect to lose many points on that. Staff is also looking at a three-quarter intersection at Northwood that still meets the intent of the grant but could cause a reduction in points but hopefully not the funding.

Baloga said a requirement to close Northwood Ridge as a condition of the federal grant application was not disclosed at the public open houses. He said the majority of residents who attended the open houses heard that the choice between Southwood and Northwood Ridge was made by the number of accidents that occurred at Northwood vs. Southwood, which is why that was chosen to be closed. He asked if he missed the disclosure on this.

Pederson reported staff at the first meeting, just listened to the neighborhood's needs. At the second meeting, staff suggested the right in and right out. She said staff could apply for full access but doesn't know if it will lose points or the grant.

Baloga commented the accident data was supposed to be posted on the FAQ's for this project on the City's website.

Pederson confirmed that accident information has not been posted.

Roberts said staff has the crash data and could post summaries of it on the City's webpage.

Baloga said the number and type of accident data would help him make a decision on this. Without that information, he said it will be an emotional decision rather than a decision based on factual information.

Roberts said there have been accidents up and down this corridor but the accesses that were chosen to be closed were based on the spacing from Hennepin County's plan as well as some other traffic conditions.

Baloga said he'd like to know the time of day the accidents occurred, as neighbors are concerned with the closure of Northwood Ridge. He said the Southwood Drive elevation makes it very difficult to navigate during the winter months; especially during snow events. He said elevation information also needs to be added to the website, which would help in his decision making. He said cars on Southwood Drive wanting to make a northern or left turn onto Normandale Boulevard would be prohibited because the lane will be blocked. He said they are supposed to go right and make a U-turn at the first available intersection. He said that would put cars at risk for rear-end and T-bone accidents and thought those items should be addressed as part of this plan.

Bernhardson said it is proposed that either Northwood Ridge or Southwood Drive would be closed off. If it's a choice between one of the two, staff could provide accident data for both Southwood and Northwood.

Winstead asked for the rationale as to why Northwood Ridge would be closed off rather than Southwood Drive.

Roberts said there is the access spacing with Hennepin County and it works well to close off the roads as proposed. He said the choice between Southwood and Northwood could be up for debate.

Winstead questioned what would happen with the scoring if there was a right in and right out only at Toledo.

Roberts said that shouldn't harm the project scoring.

Winstead said the neighbors would appreciate that.

Pederson said that would be doable and that staff would put in a pork chop at Toledo.

Bernhardson asked about the ROW impact for those properties on Toledo.

Pederson said the property owners would have to see the design and how they would be impacted.

Bernhardson asked what would happen if Northwood and Southwood were flipped.

Grube said the point issue would be consequential, as a three-quarters intersection would reduce the number of points awarded.

Baloga said both Northwood and Southwood had adequate ROW to add right turn lanes in the southbound movement and asked what would they add, since there would be very little cost and they would enhance the scoring.

Karl Keel, Public Works Director explained there are two aspects to the scoring: Intersection configuration and Confined Established Access Guidelines. Regarding swapping of the two streets, staff would have to look at the spacing of the two and the guidelines.

Baloga commented when he was trying to make left turns during the AM rush hour from both Northwood and Southwood onto Normandale Boulevard, he was in the cue for over three minutes on each. He said the City will be forcing more people to proceed south on Normandale and find an alternative if there is only one of the two exits to access Normandale.

Abrams said it gets down to understanding the data and what the data reveals. She concurred with Baloga's request for more data.

Winstead asked about current turn restrictions into St. Michael's Church.

Roberts replied yes and said there will be.

Busse asked if the City would be sacrificing back yards to protect wetlands.

Pederson replied backyards would not be sacrificed to protect wetlands.

Roberts said the designers have worked this project well to reduce impacts.

Pederson recapped the following: The next step will be a scope change application. The Council wants to look at Toledo for a right in and a right out, which could help the scoring. The left turn lanes would remain for the for the Norman Ridge side. Look at right turns into Northwood and Southwood Drives and swap Northwood and Southwood. Whichever intersection would have full access, the other intersection would have three-quarters access. Staff will look to see if that is an option. Staff will look at the comments received. Staff will put the actual accident data on the website. They will look at actual right-turn lane costs vs. the number of accidents vs. the ROW acquisition costs.

Winstead said factor paths on both sides at the 10-foot width.

Pederson said both the City and County recommendation is for paths on both sides. She said in order to process with the scope change, staff should bring back a Consent agenda item with a detailed description of the changes or include it via City Manager's Information.

Winstead asked staff to let the Council know if the City does one thing, what the ramifications will be.

Bernhardson said staff could bring back a preliminary study item on June 23.

Oleson asked if this was moving in the direction of what the public wants.

Pederson said staff might have to move the application date from July 1 to August 1.

Baloga said it was not just protected right turn lanes at Northwood and Southwood but a right turn lane at any point where the ROW was adequate to support that. He also wanted staff to look at leaving full access to both Northwood Ridge and Southwood Drive. He'd like to see what the ramifications would be in the scoring.

Pederson said they'll use their best guess as to what the scoring will be for these items.

Winstead asked if there was any lighting designed for this road.

Pederson said the design is not yet that far along.

6.3 External Auditor's Draft 2013 CAFR Review

Requested Action: Receive the draft report. No formal action is required.

Lori Economy-Scholler, Chief Financial Officer, Julie Vogel, Finance Manager and Dave Mol, HLB Tautges Redpath presented the preliminary external auditor's review.

Winstead explained this audit is done for the benefit of the City Council and not City staff.

Mol said the field work is wrapped up. They're reviewing the final draft now and expect a final report at the next meeting. He went through the PowerPoint presentation. He said they anticipate a clean opinion on the City's financial statements. He reported the City has received the GFOA Award for Excellence in Financial Reporting for 42 consecutive years. He said that's a big deal, as they review the City's payroll process, how new vendors are added, purchasing cards, and other transactions with an emphasis on segregation of duties. He said there was one item noted regarding a prior period adjustment – the timing of revenue recognition, which is not an alarming item. He said the revenue was noted but it was not in the appropriate year.

Winstead questioned the term "internal control."

Mol replied it's the point of the transaction; where it all starts. The outgoing and incoming dollars.

Winstead asked if Council could ask the external auditors to spot check at City facilities unannounced.

Economy-Scholler explained staff asks the auditors to go out into the field to do this. She said they're not required to do it.

Mol added they're not required to audit internal controls and make an opinion but they do review them.

Winstead said the Council could request spot checking by the auditors.

Mol said they looked at Public Works and Police inventory and some cash receipting. He reported there were no findings of noncompliance based on the tests they performed. He also said GASB Statement No. 68 becomes effective in 2016.

Economy-Scholler said Minnesota is forward thinking in its pension plans and that PERA is going to be putting information on their website.

Mol commented on the Financial Results – Governmental Funds, which include more than just the General Fund but doesn't include the City's Enterprise funds.

Carlson asked about the Special Revenue funds.

Mol said they include Public Health, Public Safety, CDBG, Communications, etc. He said Enterprise and Internal Service funds are not part of these. He said the results were good in 2013; a clean opinion is anticipated on the financial statements.

Vogel said Council's formal acceptance of the audit will occur at the June 23, 2014, Regular Council meeting.

6.4 2015 Budget/Tiered Service Rankings

Requested Action: Continue the voting exercise from the May tiered services voting session using the Turning Point voter software.

Economy-Scholler and Cindy Rollins, Budget Manager presented this item. Using the voting devices, Council was requested to vote on which tier level they'd like to see the following services: (Voting result is shown.)

- Animal Control (Police Department): \$0.24/month
Which tier does Council desire it be located? Tier 1, 2 or 3?
(Tier 2)
- Fire Prevention (Community Development): \$0.77/month.
Which tier? 1, 2 or 3? (Tier 2)
- Commercial Redevelopment Strategy (Community Development):
\$0.03/month. Which tier? 1, 2 or 3? (Tier 1)
- Commercial Redevelopment Strategy: \$0.03/month
Should the funding be increased by 10%, decreased by 10%, or kept relatively the same? (Kept relatively the same.)
- Park Maintenance (Community Services): \$4.13/month (Tier 2)
Should the funding be increased by 10%, decreased by 10%, or kept relatively the same? (Increase by 10%)
- Public Health (Community Services): \$0.82/month
Which tier? 1, 2 or 3? (Tier 2)
Increase by 10%, decrease by 10%, or kept relatively the same?
(Kept relatively the same.)

- Park/Median Maintenance (Public Works): \$0.35/month
Which tier? 1, 2 or 3? (Tier 1)
Increase by 10%, decrease by 10%, or kept relatively the same?
(Keep relatively the same.)

Economy-Scholler asked if there were any services for which staff didn't provide adequate information.

Council replied no.

6.5 Penn American Related Code Amendments

Requested Action: Provide direction to staff on the following two items relating to the Penn American District:

1. The proposed approach for auto dealer uses.
2. The minimum Floor Area Ratio (FAR) in the C-4 District.

Glen Markegard, Planning Manager stated this is a continuation of the staff presentation at the May 12, 2014, Council study meeting regarding the Penn American Related Code Amendments. He said staff's direction to staff was to work towards the Council's vision of the district while trying to minimize impacts on existing businesses where possible; especially the auto dealers in the Penn American area. He said there are multiple ways of doing that. Some would leave auto dealers as conforming uses and some as nonconforming uses. Following the May 12th discussion, staff was asked to pursue Option #4, which would keep auto dealers as conforming uses but subject to some limits in terms of expansion. Also discussed at previous meetings were nonconformity amendments in terms of allowing intensification within the four walls of the building. He said staff developed a draft ordinance, a paper copy of which he distributed to them, stating it has been added to the electronic agenda in the form of a supplemental agenda packet. He highlighted the changes proposed as follows:

- Nonconformity Changes Definition of "Expansion"
Draft removes all reference to "intensification." It allows nonconforming uses to intensify as long as it's within the four walls of a building. The draft ordinance was also restructured for readability; differentiating between uses, site characteristics, structures and lots.
- Auto Dealer Changes (Option #4)
Keeps them as conforming uses in C-4 and C-5.
Dealerships are specifically exempted from various C-4 and C-5 standards; including FAR minimums, minimum height, maximum setback, and parking placement. Expansion is limited to no more than a 10 percent increase in FAR. A Conditional Use Permit (CUP) is required if there is any increase or decrease in floor area for the use, an expansion of the parking, storage or display areas, or the building is replaced or relocated on the site.
- Required CUP Finding: It would give a future Council a judgment call – would this substantially delay the vision being implemented?
- Examples of the Finding:
No substantial delay: Small additions or changing site characteristics.
Substantial Delay: Major investments that greatly increase the economic life of a building and new buildings. That would be the key test if this draft language goes forward.
- Legal Concerns: Legal feels there could be a greater risk of legal challenge because no one has done this. Staff will continue to work with Legal on the language to try and minimize any risks to the extent possible.
- Check-in: Does this meet Council's intent? Should it come forward to a public hearing or be modified?

Council comments/inquiries:

Busse recalled Option #1 being the direction of Council at the conclusion of the May 12th study meeting; not Option #4.

Council recalled it was clearly Option #4.

Carlson asked what is the premise behind why the City is going to these lengths to accommodate the auto dealerships.

Markegard said concern was expressed at the Penn American District Plan public hearings, prior to adoption, that if the rezonings recommended in the plan were implemented, it would create nonconforming uses – auto dealers and the auto service uses. Staff was asked to look for ways to minimize impacts and to allow some level of expansion or modification based on manufacturer's desires and input.

Winstead said a realization is that Bloomington has auto dealers and it's highly unlikely they will be leaving this area. They're there. It's what can the City do to make them the best auto dealers they can be, as making them nonconforming could impact them. He suggested calling them conforming and keeping them operating at the highest level possible. That would allow them to do some small expansions, etc. He said they will remain either as conforming or nonconforming uses so the Council should make them the best they can be.

Carlson said expansion is still limited to a 10% increase and there are triggers that will require them to apply for a CUP so asked if that didn't ease Legal's concerns. He asked if the Council is taking too much of an unnecessary risk with this ordinance. He said the draft ordinance does a good job of describing the rules but it's specific to a very limited geographical area and asked if that is from where staff expected a legal challenge to come from. Does this create a sub zone?

Bernhardson said it applies to a zoning district; it's not spot zoning. He said Legal's concerns were there is a bit of a risk anytime a new approach is used. He said there were legal challenges in having them nonconforming. He said there are a number of issues that go along with nonconformity in the state law passed a few years ago, allowing for certain things in nonconformity including expansion or replacement.

Winstead commented 10% expansion per year over ten years equals 100%.

Markegard said in this case, it's specifically tied to the floor area in existence on the date of adoption. They get one 10% chance. In the case of the Infiniti site, it's tied to an approved Final Development Plan.

Oleson asked if this would be setting a precedent for letting someone stay in with the Council's blessing; a mini district per say.

Bernhardson said the Council has the flexibility and authority as a policy to be able to set in what districts it chooses. He said someone who says, "you let them do it so why can't I" isn't a compelling legal argument in most cases as it applies to a zoning amendment.

Carlson said in the proposed ordinance, under K (5) Expansion limited: the date would be the date the ordinance is adopted and then that sets the time from which those in place would be conforming and subjected to the rules described, and any new dealerships would not be allowed. In K (6), it delineates the rules for those existing dealerships and what would trigger the need for a CUP. He agreed with that language.

Markegard said staff will move forward with a public hearing.

Markegard proceeded to his second item:

- Met Council:
Draft Transportation Policy Plan sets minimum densities near transitway stations (American Boulevard station and the 98th Street station). 12 units per acre as the minimum standard.
- Recommended District Zoning in Penn American District: C-3, C-4 and C-5. The reason staff is not proposing the C-5 District (Genesee) in this area is because it requires buildings to be placed close to the street, parking to the side or rear, and has a lot of design requirements emphasizing street frontages.
- Minimum FAR:
The Minimum FAR in C-5 is 1.0, C-3 is 0.5, and C-4 is 0.4. He said the FAR minimum could be higher within a quarter mile radius from the American Boulevard Transit Station. He said existing auto dealerships would be exempt from FAR requirements under the proposed ordinance.

Lowman said he agrees with this direction.

Markegard said typically the City sets minimum FAR district wide but it can pull out certain areas within a district.

There was no Council objection to the proposed ordinance.

Carlson said regarding the following question, "Near the proposed Orange Line American Boulevard Station, should the minimum FAR in the C-4 District: a) remain at 0.4 or b) increase to 1.0 consistent with the C-5 Zoning District, in his opinion, it should be increased to the 1.0 consistent with the C-5 to address that one technicality. He asked if this is creating a sub-district.

Markegard said it would be close to an overlay. There would be a table in the ordinance that indicates minimum FAR by district. In the C-4 District, it would say 0.4 with an asterisk that says within a quarter mile of a transit station, the minimum is 1.0. He said the Southtown office building, which would also be rezoned to C-4, would not be subject to that given it's beyond a quarter mile range of the station.

Carlson asked if this will have ramifications with other transit stations in South Loop.

Markegard replied it would not the way it's drafted. He said staff could report back on the implications it would have on other transit stations.

6.6 Residential Zoning Standards

Requested Action: No formal action is required. Provide direction to staff on the residential zoning standards.

Markegard and Jason Schmidt, Planner presented this item. Their slide presentation included the following slides:

- Residential Districts and Standards Remaining Key Items
- Project Schedule: Fall – public hearings.
- Tonight: Policy input on four questions:
- Transient Lodging:
Hotels and bed & breakfasts. Converted large homes are evolving.
- Airbnb website search for bed and breakfasts. None currently in Bloomington but that will probably change in the future.
- Transient Lodging – Concerns:
Neighborhood impacts and safety.
- Transient Lodging in Dwelling Units - Options
- What does Council think?

Bernhardson said with regard to Airbnb, Bloomington has 8,000 hotel rooms. Allowing more of this could impact those hotel rooms. He said Bloomington collects the lodging tax for any stays of 30 days or less. He added the safety issue is not an inconsequential issue.

Lowman said he'd like to see some examples of where it's working well and where it's not to determine if this makes sense.

Winstead said this came about because of an inquiry. Someone wanted to buy a home to make it a transient lodging home.

Lowman asked if there were any successful examples in other cities where they are doing this in a limited capacity.

Bernhardson said the City doesn't allow B&B's but it could be an interim step. In a B&B, breakfast is served in an off-set formal area. He said this is one off and could be located anywhere within the city.

Abrams said she feels strongly about stays under 30 days. She doesn't think Bloomington will ever be a bed and breakfast community by virtue of its housing stock. Her concern is allowing the availability for lodging at cut-through prices but said Bloomington doesn't have the "swanky" housing. She added the city is already losing the family component and this would allow corporations to buy up homes and create transient lodging, which she doesn't think is how Bloomington wants to characterize its housing neighborhoods.

Carlson said it's not realistic to prohibit them outright. He said they have to be treated like a business so the City can get the lodging tax. The City needs to hold those individuals responsible for their guests. He leans toward Option #1 – Prohibit transient lodging stays under seven days. He said the City needs to regulate these and asked if this would fall under the City's rental license.

Baloga said he doesn't see how this would work in Bloomington neighborhoods due to the parking issues. He asked if it could be limited to certain streets, as are other businesses. He said this is not a good fit for Bloomington's housing stock.

Busse agreed the City needs to protect its hospitality industry. He said there are a number of safety issues to consider – human trafficking for one. He could see renting out a home for an extended period of time but not for less than that.

Oleson said the City needs to be open to what is coming down the road. He said he would be inclined to go for a B&B model but it would have to be owner occupied during the lodging stay and an on-place meal would have to be served. He said it will limit who buys the property if it needs to be owner occupied and requires a meal be cooked and served. He said the City needs to be open to possibilities so it can try it and be in control. It needs to regulate them to get some kind of tax share to see how it compares to Bloomington hotels.

Lowman said he'd like to see if it's successful in other cities like Bloomington.

Winstead said he's a very dark purple (Option #3) – prohibit transient lodging stays under 30 days. He said put something together that allows for a home rental for a long time.

Markegard continued with the presentation:

- Eastern Bloomington neighborhoods vs. western Bloomington neighborhoods.
- Prevailing Setback Standard Established in 1974.
- Examples – Minimum Setback.
- Interest in Additions:
There is a fair amount of interest in people wanting to do a front yard addition. When not allowed, they can go through a variance process. Staff also gets requests for attached garages.
- Prevailing Setback Options:
1) Retain standard as is, 2) Allow up to 5 or 10-foot encroachments provided minimum setbacks are maintained, or 3) Eliminate prevailing setback requirements.

Winstead said regarding front yard setbacks, people don't usually add big additions onto the front of their home. It's usually a porch or an overhang over the front door to enhance the appearance.

Oleson likes the idea of encouraging remodeling and updating and asked if the neighbors would be given an opportunity to comment.

Markegard said no, this would be a right.

Oleson likes Option #2.

Baloga inquired if any consideration had been given to having exclusions on roads such as Old Shakopee Road where the City is looking potentially at some point in time, to have takings for future expansion of those road beds.

Markegard said the City would measure from the planned ROW on any street.

Carlson said if specific types of additions and measurements could be called out, he could consider those types of improvements. He thinks overhangs and bay windows are okay but asked what if someone wants to put a deck on the front of their house. He was unsure of which option that would be.

Lowman said having grown up in east Bloomington, it would be nice to have some flexibility for homeowners but admitted people come up with some wild ideas. He was leaning towards Option #2.

Abrams supported Option #2 because it meets some of the needs that have been brought forward by some of the applicants. She commented front porches are nice. She said this is what people want. It's helped create a certain type of community whereby people sit out on their decks and have coffee. She didn't think allowing decks would be that costly and supported Option #2.

Winstead said the Council needs to have a discussion regarding what – big permanent living space? He said it's too bad single-car garages can't be expanded but they can't be allowed to expand out front.

Bernhardson said 5-10 feet out is okay. He said Option #2 is limited to 100 to 200 square feet but it could mean a porch addition or a bay window.

Baloga supported Option #2 with 5 feet on the front facing and 10 feet on the side facing on a corner lot.

There was Council consensus to go with Option #2, as Council usually approves these.

Carlson said he could support having the square footage piece included.

Oleson was good with Option #2.

Schmidt continued with the presentation:

- Townhomes
- Townhome Standards: Should the following be included?
 - Windows
 - General Design Guidelines
 - Façade Articulation

Baloga questioned why townhome units have to be visibly separate.

Winstead commented there is a happy medium. They could look like one big home.

Carlson said we don't want a large blank wall.

Schmidt asked if windows should compose a minimum of 20% of the area of the primary building façade facing the street.

Baloga commented in his townhome development, the percentage is closer to 10%.

Oleson said if the goal is to encourage neighbor communication, the design is important.

Winstead said Bloomington is a suburban community that is car eccentric and it doesn't have the ability to accommodate garages in alleys.

Baloga inquired how the Sans Pierre development measures up to these standards.

Lowman commented on Richfield's development along Penn Avenue adding from a long-term standpoint, it would be nice to have a 40% glazing requirement.

Winstead said so much of it is about price point.

Baloga said Sans Pierre looks to have 10-15% glazing, which pushes the living area to the rear.

Carlson asked if 40% window glazing would prohibit a tuck-under garage or a front entry garage.

Winstead commented aging people haven't been able to find a single-level townhome in Bloomington.

Baloga said there is so little land that works for townhome developments in Bloomington so why are we struggling with it. Why not use the Planned Development Process and influence it to the points where Council thinks it's appropriate.

Busse agreed with Baloga. Is it necessary to haggle over 20-30% glazing on the front of a townhome?

Winstead said there are lots big enough to do something on the east side of town.

Bernhardson said in a Planned Unit Development, there has to be some standards and 15-20% window glazing is probably reasonable.

- Garage frontage

Baloga said the articulation is good for the row homes but in townhomes (side by side), it gets to be more difficult.

Oleson said Lyndale Green is a good looking example that was dictated by the market. He cautioned the Council about being too prescriptive.

Winstead commented the Sumter Townhomes is a bad example.

Bernhardson said it's about the orientation and staff can see if there are ways of getting more of a front orientation in a PUD.

Baloga said with regard to townhomes, the more desirable places for townhome developments are those that have some kind of geographic features; views, water, etc.

Markegard asked Council if there were things they've noticed in Bloomington they wanted staff to look at with the City's standards.

Markegard said staff will be back in the fall for a public hearing on standards.

6.7 Discuss qualifications for cemetery interment

Requested Action: Finalize the eligibility requirements and qualifications for interment in the Bloomington Cemetery and obtain Council direction on a higher pricing structure for non-residents and the required qualifications to pay a lower price.

Janet Lewis, City Clerk made the following presentation:

1. Qualifications for lower pricing structure:
Cemetery is currently supported by approximately \$200,000 per year from the General Fund.
2. Reviewed Current Interment Qualifications

In January, a strategic plan for the cemetery was created and presented. A component of the Plan was to provide a budget model that would be self-supporting and involve market competitive pricing. At the study session in May, Council directed staff to expand the eligibility requirements and allow non-residents to be interred in the Bloomington Cemetery but at a higher fee structure for both the columbarium niches and burial plots. At this time, Council was asked to provide direction on the non-resident pricing structure by using their voting devices. A glitch with the voting devices, however, resulted in their voting by a show of hands on the following questions:

1. Pricing Differential for Non-residents:

Current price is \$1,400. 25% increase = \$1,750, and a 50% increase = \$2,100.

Q: How much more should non-residents pay? (25% or 50%?)

(A 50% increase would make the Bloomington Cemetery comparable to Dawn Valley.)

Results: *(Majority desired a 50% increase for non-residents.)*

2. Former Residents of Bloomington:

Q: How many years must former residents have lived in Bloomington to receive lower pricing structure?

(7 years, 5 years, or no change and keep it at 10 years?)

Results: *(A majority of the Council desired it be set at 10 years.)*

3. Qualified Relationships to Receive Lower Pricing Structure

Q: Expand the list of qualifying relationships to include others? (Yes or No?)

Results: *(A majority of the Council desired yes.)*

4. Q: Which relationships would you like to include:

(Grandparents and Parents, Grandchildren, All of the Above, Other Relationships? Legal relationships defined under law.)

Results: *(A majority chose #3 All of the Above)*

Lewis said she will work with the Legal Department to bring an amended ordinance to a public hearing based on Council's feedback. It will contain new language regarding eligibility requirements and will include the qualifications differentiating residents from non-residents for interment purposes.

6.8 City Manager Recruitment and Selection

Requested Action: Review the process for hiring a new city manager and provide feedback on the process.

Bernhardson discussed the City Manager replacement process, which typically can take about seven months. He asked Council if the process made sense and if they wanted to engage the services of an outside consultant to facilitate the process. He said it's better to go outside, which generally costs between \$25,000 - \$40,000. He said that should be done with a Request for Proposals adding there are approximately ten organizations that do management searches. He suggested the Council will probably want to advertise this nationally but due to the salary cap in Minnesota, it will likely attract someone from either Minnesota or the upper Midwest. The City has used Jerry Oldani in the past for City positions.

Lowman asked about an Assistant City Manager position.

Bernhardson said the City Manager is the only employee the City Council hires.

Winstead said the Council is going to have interest in acquiring a local candidate. It can turn the process over to Human Resources to make a recommendation on a local firm and/or local consultant.

Bernhardson said the City will get proposals from three firms -- one or two local and one that works with national candidates.

Carlson supported the RFP process to select the search firm.

Bernhardson said Human Resources will spearhead the effort that will result in presentations being made by the various firms.

Winstead said the City needs to run the range and be very thorough.

There was Council consensus to go through an RFP process to select a consultant with a focus on local firms.

7 ADJOURN

Mayor Winstead adjourned the study meeting at 10:10 p.m.

Barbara Clawson
Council Secretary